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Voluntary _ Public

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India

Post: New Delhi

More Products Subject to Livestock Product Import Requirements

Report Categories:

Livestock and Products
Dairy and Products
Sanitary/Phytosanitary/Food Safety
FAIRS Subject Report
Trade Policy Monitoring

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Report Highlights:

The Government of India has broadened the number of Harmonized Tariff Schedule (HTS) chapters for which a certificate complying with the Ministry of Agriculture's livestock product import requirements will be required. Previously, only dairy products classified under chapter 4 of the (HTS) were subject to these requirements. U.S. certifying authorities have, thus far, been generally unable to meet certain certification requirements established by the Ministry of Agriculture, effectively limiting market access for U.S. dairy products in India. The new requirement appears to broaden the number of dairy products or products containing dairy ingredients that will be subject to these requirements.

General Information:

This report provides additional insight to IN3071 dated June 25, 2013. On June 11, the Government of India, Ministry of Commerce and Industry amended the <u>Directorate General of Foreign Trade's (DGFT)</u> Import Policy 2012 and broadened the number of HTS chapters for which a certificate complying with the Ministry of Agriculture's livestock import requirements will be required. The chapters now include dairy and other livestock products covered in chapters 2, 3, 4, 5, 16, and 21. The new policy condition specified in the amended notification requires that import of all livestock products shall be subject to a sanitary import permit issued by the Department of Animal Husbandry, Dairying and Fisheries, Government of India. The chapters including lactose (chapter 17) and some proteins (chapter 35) are however, not included in the amendment.

Exports of U.S. meat and seafood to India are effectively prohibited because of existing Ministry of Agriculture certification requirements. Hence, the new announcement is not expected to affect market access for these products. However, the Office of Agricultural Affairs understands that, previously, the ministry's dairy import requirements only applied to products classified in Chapter 4 of the HTS. Because U.S. certifying authorities were unable to meet certain certification requirements, dairy products classified under Chapter 4 effectively had no market access in India, while dairy products and ingredients falling under other HTS chapters could be exported to India. This new announcement appears to broaden the number of products that will be subject to the Ministry of Agriculture's dairy import requirements, particularly products that fall under Chapter 21 of the HTS. The announcement does not specify which products are affected, nor does it define which products are considered dairy products.

U.S. exporters who are exporting dairy products or products containing dairy ingredients classified under the Chapter 21 of the HTS should work closely with their importers to ensure that their products can be cleared under the revised requirements.

Disclaimer: This summary is based on a *cursory* review of the subject announcement and therefore should not under any circumstances, be viewed as a definitive reading of the regulation in question, or of its implications for U.S. agricultural export trade interests.

Type of Regulation: Notified Change

Important Dates:

• Publication Date: June 11, 2013

• Date of Implementation: With immediate effect

• WTO Notification Date: Not notified

• Products Affected: Dairy, seafood and livestock products.

Agency in Charge: Department of Commerce, Ministry of Commerce and Industry, Government of

India.

The full text of the amendment as given in the notification S.O.1514(E) issued by the Department of Commerce, Ministry of Commerce and Industry is attached below and the text which deals with the subject of this report is highlighted in yellow.

MINISTRY OF COMMERCE AND INDUSTRY (Department of Commerce) NOTIFICATION New Delhi, the 11th June, 2013 No. 18 (RE-2013)/2009-2014

Subject: Import of livestock products-Amendment in ITC (HS) 2012, Schedule 1 (Import Policy).

S.O. 1514(E).—In exercise of powers conferred by Section 5 of the Foreign Trade (Development and Regulation) Act, 1992 (No. 22 of 1992), read with paragraph 2.1 of the Foreign Trade Policy, 2009-2014, as [भाग II-खण्ड 3(ii)] भारत का राजपत्र : असाधारण 3

amended from time to time, the Central Government hereby makes the following amendments in ITC (HS) 2012, Schedule 1 (Import Policy):

- a. The following Policy Conditions are revised /inserted in Chapter 1:
- i. Policy Condition 2 (b) (iii) is revised and substituted as under:
 - "A health certificate as per the India's requirements issued either by the official veterinarian or by a veterinary doctor authorized to issue an export certificate by the Government of the country of origin shall be furnished at the time of custom clearance."
- ii. Policy Condition 2 (b) (iv) is inserted as under:
 - "Importer shall furnish information on the age, sex and breed of horses as well as the purpose of import with supporting documents at the time of filing application to the DGFT".
- b. The following Policy Condition is inserted in Chapter 2 (Policy Condition 3); Chapter 3 (Policy Condition 3); Chapter 4 (Policy Condition 4); Chapter 5 (Policy Condition 4); Chapter 16 (Policy Condition 1); and Chapter 21 (Policy Condition 2):

"Import of all livestock products shall be subject to a sanitary import permit to be issued by Department of Animal Husbandry, Dairying & Fisheries, Government of India, as per Section 3A of Livestock Importation Act, 1898, as incorporated by Live Stock Importation (Amendment) Act, 2001 (Act No. 28 of 2001, 29th August, 2001), or as amended from time to time."

c. The following Policy Condition is inserted in Chapter 5 (Policy Condition 5):

"Import of Bovine Embryos shall be subject to compliance of the guidelines issued by Department of Animal Husbandry, Dairying & Fisheries. The guidelines are available at 'www.dahd.nic.in' under icon 'trade' at 'Procedure for Import'."

- d. The following Policy Condition is inserted in Chapter 23 (Policy Condition 1):
 - "Import of all items / products under ITC (HS) Code 2309 'Preparations of a kind used in Animal Feeding' shall be subject to a sanitary import permit to be issued by Department of Animal Husbandry, Dairying & Fisheries, Government of India, as per Section 3A of Live-stock Importation Act, 1898, as incorporated by Live Stock Importation (Amendment) Act, 2001 (Act No. 28 of 2001, 29th August, 2001), or as amended from time to time."
- e. The following Policy Condition is inserted in Chapter 41 (Policy Condition 2); Chapter 42 (Policy Condition 1) and Chapter 43 (Policy Condition 1):
 "Import of all live-stock products covered in this Chapter shall be subject to the provisions of Notification No. S.O. 794(E), dated 28.3.2008."

2. Effect of this notification:

Requirements of Sanitary Import Permit issued by Department of Animal Husbandry, Dairying & Fisheries, GoI have been incorporated under relevant Chapters of ITC(HS), 2012.

[F. No. 01/89/180/118/AM-02/PC 2(A)]
ANUP K. PUJARI, Director General of Foreign Trade